

Testimony of Lucy Nolan, before the Human Services Committee February 10, 2015

Oppose - Proposed H.B. 6156: AN ACT LIMITING THE USE OF ELECTRONIC BENEFIT TRANSFER CARDS. Support - Proposed H.B. 6465: AN ACT CONCERNING PURCHASE OF SERVICE CONTRACTS. Oppose - Proposed H.B. No. 6676: AN ACT CONCERNING THE ADMINISTRATION OF SOCIAL SERVICES PROGRAMS.

Good afternoon, Senator Moore, Representative Abercrombie and members of the Human Services Committee. My name is Lucy Nolan and I am the executive director of End Hunger ConnecticutI, a statewide anti-hunger and food security organization that focuses on policy, education and outreach on the federal food programs. I am here to speak on three bills before the committee today. HB 6156, AN Act Limiting the use of Electronic Benefit Transfer Cards, HB 6465, An Act Concerning the Purchase of Service Contracts, and HB 66765, An Act Concerning the Administration of Social Services. I will speak to the two DSS bills and then address the Purchase of Service contract legislation.

Oppose - Proposed H.B. 6156: AN ACT LIMITING THE USE OF ELECTRONIC BENEFIT TRANSFER CARDS. End Hunger Connecticut! opposes this legislation as it creates a potential hardship for those using these programs. We do a lot of SNAP assistance and have heard from people who have used their cards out of state for a number of reasons including visiting or caring for family members, their own health care issues, and job interviews out of state. Some people are sent to hospitals out of state or they may have legal issues that need addressing and SNAP benefits may be used to prepare foods in a hotel room . This legislation could have many unintended consequences, especially for a person or family who is trying to get their life back on track.

Store purchases are reciprocal and monitored so that a households ongoing use of EBT in another state will come to the attention of the social service agency where their current address will be verified. Since 83% of all purchases are at a grocery or superstore there are solid mechanisms to assure that there is no ongoing fraud.

SNAP is regulated through the Food and Nutrition Service (FNS) of the USDA has very specific national regulations regarding the use of the program. Many of these regulations bar states from imposing restrictions or opening the program without specific waivers from the agency. The specific regulations regarding limiting use of EBT to the state the benefits are derived are below.

• Federal law requires state agencies that participate in SNAP to facilitate interoperability and portability nationwide so that SNAP beneficiaries can access SNAP benefits issued by their home state in any other state. 7 U.S.C. § 2016(j)(2); 7 C.F.R. § 274.8(b)(10). "The term 'portability' means a system that enables program benefits in the form of an electronic benefit transfer card to be used in any State by a household to purchase food at a retail food store or wholesale food concern approved under this chapter." 7 U.S.C. § 2016(j)(1)(E).

## Oppose - <u>Proposed</u> H.B. 6676: AN ACT CONCERNING THE ADMINISTRATION OF SOCIAL SERVICES PROGRAMS.

End Hunger Connecticut! oppose this legislation for several reason, however the overarching one is that the USDA will not allow outside organizations, no matter how competent, to do the work of DSS authorizing SNAP eligibility.

- The federal statute expressly bars the state from "impos[ing] any other standards of eligibility as a condition for participating in the program." 7 U.S.C. § 2014(b).
- The federal statute provides that the state's "standards to be used in determining the eligibility of applicant households . . . shall . . . include no additional requirements imposed by the State agency." 7 U.S.C. § 2020(e)(5).
- Federal regulations construing and implementing the statute provide that the state may not "impose additional application or application processing requirements." 7 C.F.R. § 273.2(a)(1).

There are non-profits who do SNAP outreach in the state and End Hunger Connecticut! is one of those groups. We have a Call Center where we assist those interested in applying for the program. Our call center associates prescreen applicants for eligibility; if eligible we assist them by setting up MyAccounts, and scanning in their information to DSS. We go through many of the same steps that DSS does to verify applicants, and in some cases we catch errors by DSS when an applicant was deemed ineligible, or provides the wrong benefit level. Our goal is to make it easy for those who need the benefit get it and we advocate for the clients. EHC! provides DSS with a complete application that needs little work. EHC! knows the program well and assures that the applications we send into the DSS are complete and correct.

While we are often frustrated by DSS, as many of you are, we understand that there are over 425,000 people on SNAP alone so it is imperative that there is one central source of information and regulation of the program. That is DSS. We are able to advocate for the clients and to work on administrative solutions to issues that might not be apparent to the department. That is the role the non-profits can play. We do not want to take on the job of determining eligibility but we would appreciate a flow of information to and from DSS, which has been cut off within the last several years making our work much more difficult and therefore making it more difficult for those applying for benefits.

HB 6676 should not be voted out of committee as it is against USDA regulations for SNAP.

## Proposed H.B. 6465: AN ACT CONCERNING PURCHASE OF SERVICE CONTRACTS.

End Hunger Connecticut! supports the passage of this bill. Purchase of Service (POS) contracts are the contracts that the state uses for contractors who do work for the state. EHC! has several as do many of the states' non-profits. The state has 1,585 POS contracts serving approximately 500,000 residents (15% of the population) among ten state agencies totaling \$1.38 billion or 7.3% of the state budget. The state continues to ask non-profits to do the same or more work for less money every year. The state has failed to adequately fund nonprofit providers for the last two decades forcing many nonprofits to close, compete against one another for scarce resources, layoff employees, and reduce benefit packages.



For many of us we are doing more work for less money, having to pick up increased funding from other private sources. As evidenced by HB 6676, An Act Concerning the Administration of Social Services is clear that there is support for the work non-profits do in this committee but we have not seen the commitment to properly address the lack of consistent funding. This legislation asks that non-profit providers be given an increase, or commonly referred to a cost of living adjustment which is consistent with the average annual growth of the Consumer Price Index or inflation.

Our employees are some of the hardest working professionals across the state and have had to bear the burden of underfunding, going years without salary increases while simultaneously watching benefit packages deteriorate. EHC! seeks to expand nutrition programs that increase a child's ability to learn effectively from school breakfast to meals in the summer, and of course help with SNAP access. We bring money into the state yet it gets more difficult to do the work supporting the state when the state does not support us.

End Hunger Connecticut! is a member if the Connecticut Human Services Non-profit Alliance and we urge you to support HB 6465: An Act Concerning Purchase of Service Contracts.

Thank you.